



BILLING CODE: 3510-DS-P

**DEPARTMENT OF COMMERCE**

**International Trade Administration**

**[A-489-833]**

**Large Diameter Welded Pipe from the Republic of Turkey: Notice of Court Decision Not in Harmony with Amended Final Determination in the Less-Than-Fair-Value Investigation; Notice of Amended Final Determination Pursuant to Court Decision; and Notice of Revocation of Antidumping Duty Order, in Part**

**AGENCY:** Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce.

**SUMMARY:** On May 22, 2020, the United States Court of International Trade (CIT) sustained the Department of Commerce's (Commerce's) remand redetermination pertaining to the less-than-fair-value (LTFV) investigation of large diameter welded pipe (LDWP) from the Republic of Turkey (Turkey). Commerce is notifying the public that the CIT's final judgment in this litigation is not in harmony with Commerce's amended final determination and order in the LTFV investigation of LDWP from Turkey. Pursuant to the CIT's final judgment, Commerce is amending the estimated weighted-average dumping margins for Borusan Mannesman Boru Sanayi ve Ticaret A.S. (Borusan) and all other producers and exporters of subject merchandise, and Borusan is being excluded from the order.

**DATES:** Applicable June 1, 2020.

**FOR FURTHER INFORMATION CONTACT:** William Miller, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of

Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3906.

## **SUPPLEMENTARY INFORMATION:**

### Background

The litigation in *Borusan Mannesman Boru Sanayi ve Ticaret A.S. v. United States*<sup>1</sup> relates to Commerce's *Final Determination*<sup>2</sup> in the LTFV investigation covering LDWP from Turkey. In the underlying LTFV investigation, Commerce made an affirmative final determination that imports of LDWP from Turkey (including imports from Borusan) were being, or were likely to be, sold for LTFV. Commerce granted mandatory respondent Borusan a post-sale price adjustment for certain home market sales; however, Commerce recalculated the amount of that adjustment based on an agreement that predated the filing of the petition.<sup>3</sup> Additionally, Commerce based the date of sale for Borusan's U.S. sales on the earlier of shipment or invoice date because, although Borusan claimed the purchase order date was the appropriate date of sale, Borusan's purchase orders were subject to multiple revisions and Borusan was unable to explain when no further changes were permitted (*i.e.*, when the material terms of its sales were final).<sup>4</sup> Commerce also found that a particular market situation (PMS) existed in Turkey that distorted the costs of hot-rolled coil used to produce LDWP, and as a

---

<sup>1</sup> See *Borusan Mannesmann Boru Sanayi ve Ticaret A.S. v. United States*, 426 F. Supp. 3d 1395 (CIT 2020) (*Borusan*); and *Borusan Mannesmann Boru Sanayi ve Ticaret A.S. v. United States*, Consol. Court No. 19-00056, Slip Op. 20-71 (CIT May 22, 2020) (*Borusan II*).

<sup>2</sup> See *Large Diameter Welded Pipe from the Republic of Turkey: Final Determination of Sales at Less Than Fair Value*, 84 FR 6362 (February 27, 2019) (*Final Determination*), and accompanying Issues and Decision Memorandum (IDM), amended by *Large Diameter Welded Pipe from the Republic of Turkey: Amended Final Affirmative Antidumping Duty Determination and Antidumping Duty Order*, 84 FR 18799 (May 2, 2019) (*Amended Final Determination and Order*).

<sup>3</sup> See *Final Determination* IDM at Comment 3.

<sup>4</sup> *Id.* at Comment 2.

result, Commerce adjusted Borusan's cost of production for the purposes of the sales-below-cost test.<sup>5</sup>

Borusan appealed Commerce's final determination to the CIT, and on January 7, 2020, the CIT remanded to Commerce to:

(1) allow a post-sale price adjustment for the amount for which Borusan established it was liable and actually paid, unless Commerce had additional evidence that shows an improper allocation for the claimed adjustment;<sup>6</sup>

(2) determine whether the regulatory presumption in favor of invoice date governs, and if the material terms of the sale were essentially fixed before invoice date;<sup>7</sup> and

(3) not adjust the reported production costs based on a PMS for the purposes of the sales-below-cost test.<sup>8</sup>

On March 9, 2020, Commerce issued the Final Results of Redetermination in accordance with the CIT's remand order, under respectful protest.<sup>9</sup> On remand, Commerce granted Borusan the full amount of the post-sale price adjustment as reported in its home market sales data which resulted in a *de minimis* estimated weighted-average dumping margin for Borusan.<sup>10</sup> Therefore, because Borusan's estimated weighted-average dumping margin would only be further reduced were Commerce to adjust its calculations for the remaining issues remanded (*i.e.*, U.S. date of sale and PMS adjustment), Commerce did not reach these issues for purposes of the Final

---

<sup>5</sup> *Id.* at Comment 1.

<sup>6</sup> *See Borusan*, 426 F. Supp. 3d at 1410, 1414-15.

<sup>7</sup> *Id.*, 426 F. Supp. 3d at 1403, 1414-15.

<sup>8</sup> *Id.*, 426 F. Supp. 3d at 1411-12, 14-1415.

<sup>9</sup> *See* "Final Results of Redetermination Pursuant to Court Remand, Borusan Mannesmann Boru Sanayi ve Ticaret A.S. v. United States Court No. 19-00056, Slip Op. 20-4 (CIT 2020)," dated March 9, 2020 (Final Results of Redetermination).

<sup>10</sup> *Id.*

Results of Redetermination.<sup>11</sup> On May 22, 2020, the CIT sustained the Final Results of Redetermination.<sup>12</sup>

#### Timken Notice

In its decision in *Timken*,<sup>13</sup> as clarified by *Diamond Sawblades*,<sup>14</sup> the United States Court of Appeals for the Federal Circuit (Federal Circuit) held that, pursuant to section 516A of the Tariff Act of 1930, as amended (the Act), Commerce must publish a notice of court decision that is not “in harmony” with a Commerce determination and must suspend liquidation of entries pending a “conclusive” court decision.<sup>15</sup> The CIT’s May 22, 2020, judgment sustaining Commerce’s Final Results of Redetermination constitutes a final decision of the CIT that is not in harmony with Commerce’s *Amended Final Determination and Order*. Thus, this notice is published in fulfillment of the publication requirements of *Timken* and section 516A of the Act.

#### Amended Final Determination

Because there is now a final court decision, Commerce is amending its *Amended Final Determination and Order* with respect to the estimated weighted-average dumping margins for Borusan and the companies covered by the all-others rate. The revised estimated weighted-average dumping margins for these entities are as follows:

---

<sup>11</sup> *Id.* at 2.

<sup>12</sup> *See Borusan II*.

<sup>13</sup> *See Timken Co. v. United States*, 893 F. 2d 337 (Fed. Cir. 1990) (*Timken*).

<sup>14</sup> *See Diamond Sawblades Mfrs. Coalition v. United States*, 626 F. 3d 1374 (Fed. Cir. 2010) (*Diamond Sawblades*).

<sup>15</sup> *See* sections 516A(c) and (e) of the Act.

<b>Company</b>	<b>Estimated Weighted-Average Dumping Margin (percent)</b>	<b>Cash Deposit (adjusted for subsidy offset(s)) (percent)<sup>16</sup></b>
Borusan Mannesmann Boru Sanayi ve Ticaret A.S	0.78	N/A
HDM Celik Boru Sanayi ve Ticaret A.S.	2.57	1.57
All Others <sup>17</sup>	2.57	1.57

#### Amended Antidumping Duty Order

Pursuant to section 735(a)(4) of the Act, Commerce “shall disregard any weighted average dumping margin that is *de minimis* as defined in section 733(b)(3) of the Act.”<sup>18</sup> As a result of this amended final determination, in which Commerce has calculated an estimated weighted-average dumping margin for Borusan that is *de minimis*, Commerce is hereby excluding merchandise produced and exported by Borusan from the antidumping duty (AD) order.<sup>19</sup> If the CIT’s ruling is not appealed, or if appealed and upheld, Commerce will direct U.S. Customs and Border Protection (CBP) to release any bonds or other security and refund

<sup>16</sup> See *Amended Final Determination and Order*, 84 FR at 18800.

<sup>17</sup> As explained in the Final Results of Redetermination, Commerce calculated a *de minimis* margin for Borusan. See Final Results of Redetermination at 11. Therefore, the only rate that is not zero, *de minimis*, or based entirely on facts otherwise available in the underlying LTFV investigation is the rate calculated for the other mandatory respondent, HDM Celik Boru Sanayi ve Ticaret A.S. (HDM). See *Amended Final Determination and Order*, 84 FR at 18800. Consequently, the rate calculated for HDM is also assigned as the estimated weighted-average dumping margin for all other producers and exporters, pursuant to section 735(c)(5)(A) of the Act.

<sup>18</sup> Section 733(b)(3) of the Act defines *de minimis* dumping margin as “less than 2 percent *ad valorem* or the equivalent specific rate for the subject merchandise.”

<sup>19</sup> See Final Results of Redetermination at 11.

cash deposits pertaining to any suspended entries from Borusan. This exclusion does not apply to any other companies.<sup>20</sup>

#### Continued Suspension of Entries for Borusan

Pursuant to *Timken*, the suspension of liquidation must continue during the pendency of the appeals process. Thus, we will instruct CBP to suspend liquidation of all unliquidated entries from Borusan at a cash deposit rate of zero percent which are entered, or withdrawn from warehouse, for consumption after June 1, 2020, which is ten days after the CIT's final decision, in accordance with section 516A of the Act.<sup>21</sup> If the CIT's ruling is not appealed, or if appealed and upheld, Commerce will instruct CBP to terminate the suspension of liquidation and to liquidate entries produced and exported by Borusan without regard to antidumping duties. As a result of Borusan's exclusion from the AD order, Commerce will not initiate any new administrative reviews of the company's entries.<sup>22</sup>

#### Liquidation of Suspended Entries for Borusan

At this time, Commerce remains enjoined by CIT order from liquidating entries that: (1) were produced and exported by Borusan, and were entered, or withdrawn from warehouse, for consumption on or after August 27, 2018, up to and including February 22, 2019; and (2) were produced and/or exported by Borusan, and were entered, or withdrawn from warehouse, for

---

<sup>20</sup> See *supra*, n.2.

<sup>21</sup> See, e.g., *Drill Pipe from the People's Republic of China: Notice of Court Decision Not in Harmony with International Trade Commission's Injury Determination, Revocation of Antidumping and Countervailing Duty Orders Pursuant to Court Decision, and Discontinuation of Countervailing Duty Administrative Review*, 79 FR 78037, 78038 (December 29, 2014); *High Pressure Steel Cylinders From the People's Republic of China: Notice of Court Decision Not in Harmony With Final Determination in Less Than Fair Value Investigation, Notice of Amended Final Determination Pursuant to Court Decision, Notice of Revocation of Antidumping Duty Order in Part, and Discontinuation of Fifth Antidumping Duty Administrative Review*, 82 FR 46758, 46760 (October 6, 2017).

<sup>22</sup> Currently there are no ongoing administrative reviews of this order.

consumption on or after April 19, 2019, up to and including April 30, 2020. These entries will remain enjoined pursuant to the terms of the injunction during the pendency of any appeals process.

Notification to Interested Parties

This notice is issued and published in accordance with sections 516A(c)(1) and (e), and 777(i)(1) of the Act.

Dated: June 3, 2020.

**Jeffrey I. Kessler,**

*Assistant Secretary*

*for Enforcement and Compliance.*

[FR Doc. 2020-12446 Filed: 6/8/2020 8:45 am; Publication Date: 6/9/2020]